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Nordic 1H2015 Earnings Increases 20% to S\$4.0 Million

- Revenue for 1H2015 increased by 17% year-on-year to S\$37.7 million, due to growth in most of the business segments
- Group currently has a strong order book of S\$46.1 million, with deliveries till FY2017
- Group proposed an interim dividend of 0.4 Singapore cents per share to reward shareholders, representing a payout ratio of 40%

Singapore, 13 Aug 2015 – Nordic Group Limited (“Nordic” or “the Group”), an SGX-Mainboard listed company, and a leading supplier of automation system integration solutions, vessel maintenance, repair and overhaul (MRO), precision engineering, scaffolding and insulation services serving mainly the marine, offshore, oil and gas and petrochemical industries, has reported earnings of S\$4.0 million for the six months ended 30 June 2015 (“1H2015”). Financial highlights are as follows:

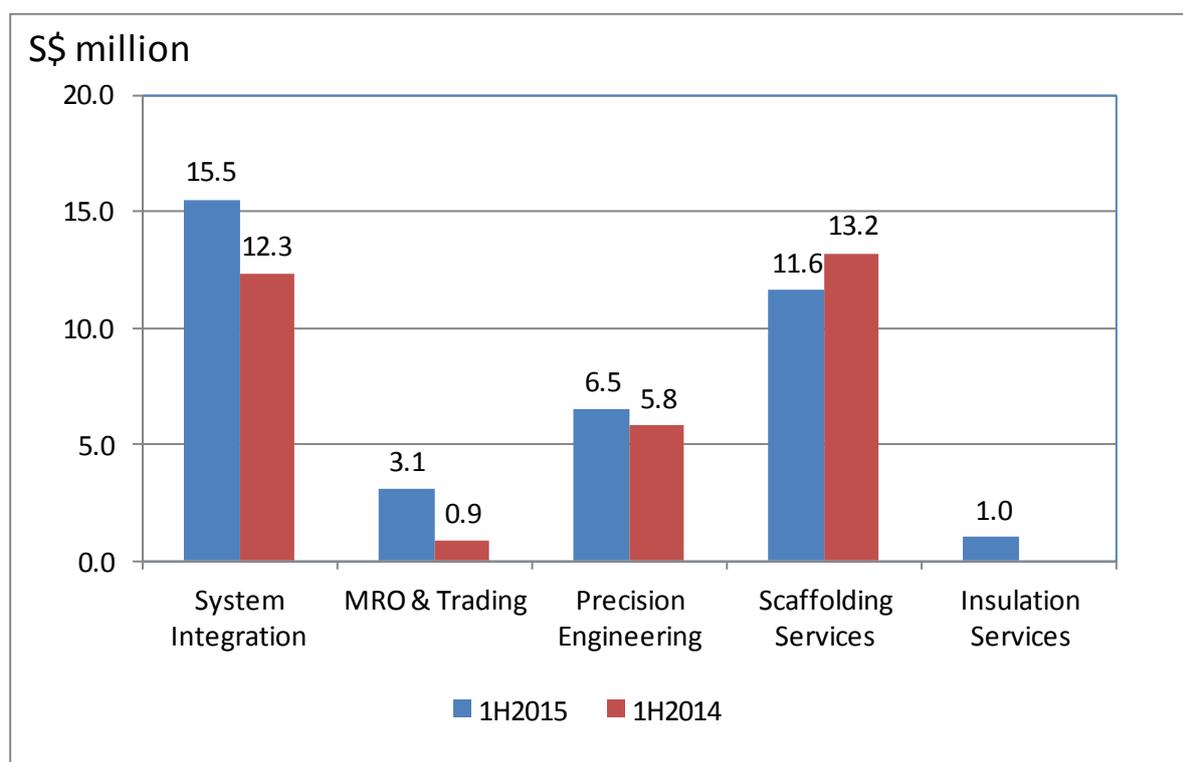
Financial Highlights	2Q2015	2Q2014	Chg	1H2015	1H2014	Chg
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	21,055	17,816	18	37,668	32,237	17
Gross Profit	6,909	6,736	3	12,223	11,527	6
Net Profit after tax	2,560	2,446	5	4,011	3,347	20
Basic Earnings Per Share (cents)*	0.6	0.6	-	1.0	0.8	25

*Based on weighted average number of 400,000,000 ordinary shares for 2Q2015 and HY2015 (2Q2014 and HY2014: 400,000,000)

Financial Review

The Group reported a 17% year-on-year (“yoy”) increase in revenue to S\$37.7 million for 1H2015. This was supported by the revenue growth at its System Integration (up 26% yoy), MRO & Trading (up 244% yoy), and the Precision Engineering (up 12% yoy) segments. The Group’s recent acquisition of Austin Energy (Asia) Pte Ltd (“**Austin Energy**”) also brought additional revenue of S\$1.0 million to the Group. Scaffolding Services business segment contributed S\$11.6 million in revenue, a small decline from the S\$13.2 million for 1H2014.

Revenue by Business Segment



Gross profit for 1H2015 increased by 6% yoy to S\$12.2 million.

Administrative expenses increased marginally by 8% yoy to S\$7.6 million for 1H2015, primarily due to the administrative expenses of the newly acquired Austin Energy at S\$0.2 million and the professional fees of approximately \$0.1 million incurred for this acquisition.

Net profit attributable to equity holders increased by 20% to S\$4.0 million for 1H2015. Basic earnings per share was 1.0 Singapore cents for 1H2015 (1H2014: 0.8 Singapore cents).

The Group has proposed an interim dividend of 0.4 Singapore cents per share, representing a payout ratio of 40%.

Balance sheet remained robust, with cash and cash equivalents of S\$30.0 million as at 30 June 2015. Net asset value per share increased from 13.3 Singapore cents as at 30 June 2014 to 13.8 Singapore cents as at 30 June 2015.

Business Outlook

Commenting on the Group's financial performance and business outlook, Mr. Chang Yeh Hong, Executive Chairman of Nordic said,

“Although the offshore and marine, and oil and gas industries are going through a tough period, we have delivered another set of healthy financial results supported by both organic and acquisition-based growth. The results demonstrated our outstanding reputation among clients, the leading position in many business segments that we operate in, as well as the validity of our growth strategy.

During the quarter, we took the opportunity to acquire Austin Energy. We are confident that the acquisition will produce a synergy between the scaffolding and insulation business segments, and is expected to generate higher revenue for the Group. The acquisition will also bring us an inroad to tap on the growth of the fast growing pharmaceutical industry.

Our current order book remains strong at S\$46.1 million, which will support a stable stream of revenue for the next 24 months. Internally, we will continue to implement our strategy and promote the growth in various business segments. Externally, we will continue to study the acquisition opportunities within our related business space, and take action when appropriate. The Group's growth is built on a well-diversified business structure, and it will help the Group stay resilient in challenging times, and achieve stronger growth when market eventually recovers.”

~ The End ~

About Nordic Group Limited (Bloomberg Code: NRD SP)

Established in 1998, Nordic is an automation system integration solutions provider serving mainly the marine and offshore oil and gas industries. Headquartered in Singapore, Nordic currently has two production facilities located in Suzhou, the People's Republic of China ("PRC"), Nordic has a sales and marketing network that covers Singapore and various locations in the PRC, which allows the Group to be in close proximity to its customers.

Designed to meet the demands of vessel automation, the Group's **System Integration** division offers integrated control and management systems for newly built ships as well as ships which are already in operation but are in need of upgrades and conversions. These systems are versatile and dependable ship automation solutions that provide a standard user-friendly interface to the subsystems of modern vessels. Nordic also designs, procures, develops and manufactures actuators, valves and other components for assembly and integration into valve remote control systems, tank gauging systems, anti-heeling systems, alarm monitoring and power management systems used by customers in their vessels.

Under its **Maintenance, Repair and Overhaul ("MRO") and Trading** division, Nordic provides customers with a dedicated team of consultants who are responsible for any after-sales requests for maintenance, repairs and overhauls as part of its after-sales service. The MRO and Trading division provides the Group with a steady stream of income as there is a constant need for vessels to be maintained, repaired and overhauled.

The Group's **Precision Engineering division** also designs and builds tooling systems, and provides turnkey production solutions to customers in the marine, oil and gas, aerospace, medical and electronic manufacturing services industries for a stable customer base of more than ten.

Multiheight Scaffolding Pte Ltd and its subsidiaries (Multiheight Group) fronts the Group's **Scaffolding Services business**, and is an established leader in metal scaffold works servicing the Process, Construction and Marine industries. Multiheight Group offers a full suite of scaffolding services including design, erection, modification and dismantling, sales and rental. Multiheight Group has two decades of scaffolding experience and is an MOM-approved scaffold contractor committed to high standards of Quality, Safety and Health (QSH) practices and standards throughout the organisation, warehouse, workshop, on site and all activities carried out by the organisation.

In June 2015, Nordic completed the acquisition of Austin Energy (Asia) Pte Ltd, which specializes in comprehensive **Insulation Services** (primarily in Thermal Insulation) and Passive Fireproofing Services in the Petrochemical, Pharmaceutical, Marine and Oil and Gas Industries.

Issued for and on behalf of Nordic Group Limited

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